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SUBJECT: (U) SECRETARY RICE'S OCTOBER 4 2008 MEETING WITH

INDIAN PRIME MINISTER MANMOHAN SINGH: REGIONAL ISSUES

- 11. (U) Classified by: Paul Wohlers, Deputy Executive Secretary, S/ES, Department of State, Reason 1.4 (d).
- 12. (U) October 4, 2008: 7:00 p.m.; New Delhi, India.
- 13. (U) Participants:

U.S.

The Secretary
Ambassador David Mulford
South and Central Asia Assistant Secretary Richard Boucher
Joint Chiefs of Staff Lt. General William Fraser
Ted Osius (Notetaker)

India
Prime Minister Manmohan Singh
National Security Adviser M.K. Narayanan
Principal Secretary to the Prime Minister T.K.A. Nair
Foreign Secretary Shiv Shankar Menon
Special Envoy to the Prime Minister Shyam Saran
Ambassador to the United States Ronen Sen
Ministry of External Affairs Joint Secretary Gaitri Kumar
Joint Secretary, Prime Minister's Office, Pankaj Saran
Virendar Paul (Notetaker)

14. (C) SUMMARY. Prime Minister Singh expressed India's readiness to resume a composite dialogue with Pakistan and expand areas of cooperation with its western neighbor. The Secretary described U.S. efforts to strengthen local governance in Afghanistan and increase the size of its army. Urged by the Secretary to look at Indian investments in Iran with a view to changing that country's behavior, Singh pledged to continue enforcing UN Security Council resolutions and stated that the Iran-Pakistan-India pipeline has yet to move beyond "an exchange of notes." In response to the Secretary's question about violence against Christians in India, Singh said the government had the capability to restore order and protect the rights of religious minorities. END SUMMARY.

Sustained Interest in India Yields Historic Progress

15. (SBU) Singh thanked the Secretary for her sustained interest in India, demonstrated since she published in Foreign Affairs more than eight years ago. The Secretary replied that Singh's vision and follow-through had produced historic progress in U.S.-India relations.

Ready to Pick Up the Threads in Pakistan

- 16. (C) Asked by the Secretary about changes in Pakistan, Singh replied that, until February 2007, an intense India-Pakistan dialogue had led to progress on key territorial issues. "We cannot redraw our borders," he said, but we can make borders less of an obstacle to people-to-people exchanges. "We are ready to pick up the threads" of the dialogue, he continued, because India's people want to normalize relations and because a moderate, stable Pakistan is in India's interest. However, cease-fire violations and infiltration via the Line of Control had increased since April, and the July bombing of India's embassy in Kabul greatly complicated India's ability to maintain a dialogue. As evidence of India's desire to work with the new government in Islamabad and expand areas of cooperation, it had announced plans for new trade routes and its willingness to resume the Composite Dialogue. Singh characterized President Bush as agreeing with him that the "jury is still out" on whether Pakistan's government had the will or the ability to contain elements that are causing problems, including within the Pakistani military. He added that "jihadist elements cannot be wished away," and stated that Afghanistan's problems cannot be resolved without solving Pakistan's.
- 17. (C) The Secretary said she believed the new Pakistani government wanted to do the right thing, but might not have the ability. President Zardari had established good relations with Chief of the Army Staff Kayani, but Pakistan faces formidable economic challenges. She recalled that President Bush had urged Zardari to strengthen relations with India, and expressed hope that the two countries would soon resume their Composite Dialogue. The Secretary commended India's restraint following the Embassy bombing in Kabul. Stating that "the sky is the limit" for India-Pakistan relations, Singh replied that he envisioned "one large market" on the subcontinent and hoped Pakistan would move in the right direction.

Indian Activity in Afghanistan an Open Book

18. (C) The Secretary described a U.S. review of strategies in Afghanistan, especially in light of strong Taliban moves in Helmand province that complicated efforts to stabilize the southern and southeastern parts of the country. She discussed U.S. determination to increase the size of Afghanistan's army, and ways that Provincial Reconstruction Teams had begun strenghthening local governance. After reviewing India's more than \$1.2 billion in commitments for rebuilding Afghanistan, Singh referred to former Pakistani President Musharraf's claims that Indian actions were aimed at destabilizing Pakistan. "We want our activities in Afghanistan to be an open book," he asserted, adding that India had nothing to hide and nothing to gain from an unstable neighbor. The transition to democracy in Afghanistan will not be easy, he continued, as superimposing modern institutions on a tribal society has certain limitations. "Democracy is not a mechanical process," he concluded.

Iran-Pakistan-India Pipeline Yet to be Conceptualized

19. (C) The Secretary raised U.S. concerns about Iran and the difficulties faced by the International Atomic Energy Agency in pursuing questions about Iran's nuclear program. As a result of three UN Security Council Resolutions, Iran had lost investment, she said. She asked that India look carefully at its own investments with a view to changing Iranian behavior. Singh replied that India did not support Iran's nuclear ambitions and that he had urged President Ahmadinejad to work with the world community and satisfy doubts about Iran's nuclear program. India's

effort has been and will be to use its influence with Iran, he confirmed. The Iran-Pakistan-India pipeline "has yet to be conceptualized," he stated, adding that the deal had not moved further than the exchange of notes. Singh voiced "philosophical concerns" about the use of sanctions, arguing that sanctions cause more suffering among common people than in ruling circles.

110. (C) The Secretary responded that Iran, with a history of concealing uranium enrichment activities, could receive international support for its civilian nuclear industry if it would only cooperate. Singh insisted that India adheres faithfully to UN Security Council resolutions, but added that due to domestic concerns, he needed to use language in Parliament that would placate India's 25 million Shia Muslims who are influenced by Iran. He said President Ahmadinejad had promised to send him a paper he had drafted on the world's future. The Secretary responded with skepticism, saying she would like to see the paper if Ahmadinejad delivers it. Singh speculated that Ahmadinejad wished to be invited to sit "at the high table" with the United States. The Secretary expressed U.S. willingness to meet with Iran as soon as it suspends enrichment activities. She described a complex Iranian decision-making structure and tensions within it. Singh agreed with the Secretary's characterization, noting that statesmanship is required to manage such tensions in a developing country.

India Will Protect the Rights of Religous Minorities

111. (C) Asked by the Secretary about recent violence against Christians, Singh explained the background of violence in Orissa. He said it remained unclear who had set the process in motion, but that the murder of a Hindu saint had triggered a chain reaction. He described the population of the affected area as consisting largely of primitive tribals, and committed the government to protecting the human rights of all the state's people. "We have sent in central forces to support the local authorities," he said, "and we will remain in touch with the state government until the matter is resolved." The Indian system will deal with the problem, Singh concluded.

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